

TIMELINE LEADING TO MARK TO MARKET ANNOUNCEMENT BY FASB

October 2, 2008: Congressman Bachus sends a letter to Chairman Barney Frank urging hearings on mark-to-market with the SEC, FASB, and the PCAOB. In the letter, Bachus also states that an examination needs to be conducted by the SEC on whether changes to fair value accounting standards are warranted.

October 3, 2008: President Bush signs into law the Emergency Economic Stabilization Act (EESA), which includes a provision authored by Congressmen Bachus and Blunt directing the SEC to study possible modifications to mark to market and make recommendations to Congress.

October 14, 2008: Bachus sends a letter to the SEC urging the agency to complete work on the study mandated in EESA as expeditiously as possible, noting that "the reduced values being placed on assets using the existing interpretation of FAS 157 threaten to offset the beneficial impact of the capital being injected into financial institutions by the government under EESA."

December 30, 2008: The SEC issues the study required by the Bachus-Blunt provision, making recommendations to FASB on changes needed to address distortions in the current application of fair value accounting standards.

January 16, 2009: Writes Chairman Frank again urging hearings on Mark to Market and the S.E.C study and recommendations.

February 18, 2009: FASB states in a press release that no guidance on mark to market will be issued until the end of the second quarter.

March 10, 2009: Federal Reserve Chairman Ben Bernanke agrees that additional guidance for financial institutions is needed in the application of mark-to-market: "We need to do a lot more to provide guidance to the financial institutions and to the investors about what are reasonable ways to address valuation of assets" in illiquid markets, he said.

March 11, 2009: Congressman Bachus and Congressman Blunt write to the SEC urging action on the recommendations made in the SEC's own study.

March 12, 2009: Financial Services Subcommittee on Capital Markets, in response to Ranking Member Bachus' requests, holds a hearing with the SEC and FASB to review the impact of mark to market. At the hearing, Congressman Bachus urges FASB to promptly provide guidance consistent with the SEC's recommendations that will help bring certainty to the market.

March 16, 2009: FASB issues proposed guidance for public comment.

April 2, 2009: FASB votes to approve modifications to the application of mark to market accounting.